

Company Announcement

December 1, 2016

Episurf Medical's 50th Episealer® Femoral Twin implant demonstrates rapid clinical adoption

Episurf Medical announces the 50th implantation of the knee implant Episealer Femoral Twin, which together with Episealer Condyle Solo and Episealer Trochlea Solo constitute Episurf Medical's product portfolio of patient specific knee implants. This personalised solution for patients suffering from cartilage damage was introduced to the market less than 14 months ago.

The Episealer Femoral Twin implant was developed to treat patients presenting with larger areas and an elongated nature of chondral and osteochondral damage of the femoral condyles and trochlea area of the knee. The customized solution is produced through Episurf's proprietary Epioscopy® technology.

"A challenge for the Episealer concept is to be brought into action at the correct point in time, before the lesion has progressed too far into overt osteoarthritis. The Episealer Twin was conceived as a product for the knee with slightly further-developed damage, before reaching an arthritic state. That this product has been well received highlights the need for suitable treatment options within this patient group. To our satisfaction, results have been up to expectation, and Episurf's MRI-based damage report allows us to analyse these larger lesions specifically", said Dr Leif Ryd, Senior Medical Advisor to Episurf.

"With the rapid uptake of the Episealer technology for larger cartilage defects, Episurf has been able to expand the treatment options for a broader range of patients", said Rosemary Cunningham Thomas, CEO of Episurf Medical. "The success of the Episealer Twin is demonstrated by the fact that over 50% of all Episealer implants produced today are Twin implants. This establishes that we are effectively meeting the needs of our surgeons by offering the right solutions for an expanded group of patients", concludes Rosemary Cunningham Thomas.

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About Episurf Medical

Episurf Medical is endeavoring to bring people with painful joint injuries a more active, healthier life through the availability of minimally invasive and personalized treatment alternatives. Episurf Medical's Episealer® personalized implants and Epiguide® surgical drill guides are developed for treating localized cartilage injury in joints. Episurf Medical's µFidelity® system enables implants to be cost-efficiently tailored

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to each individual's unique injury for the optimal fit and minimal intervention. Episurf Medical's head office is in Stockholm, Sweden. Its share (EPIS B) is listed on Nasdaq Stockholm. For more information, go to the company's website: www.episurf.com.

This information is information that Episurf Medical AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above.